



TERMS & CONDITIONS

EXHIBIT 'B' to be attached to Purchase Agreement

RE: JOHN B. DALE FARM, Sections 1 & 2,

Bertrand Township, Berrien County Michigan

SILENT (off site) REAL ESTATE AUCTION (by written Bid)

Terms and Conditions of Real Estate Auction (must be accepted, signed, & returned to qualify for auction bidding). Go to www.jerdon.net for more details.

- 1. SELLER (and Seller's heirs, assigns, and successors) IS RETAINING 40% OR A 4/10THS INTEREST IN THE MINERAL RIGHTS DESCRIBED IN THE DEED RESTRICTION LANGUAGE NOTED BELOW IN THE EVENT THE BUYER (OR A SUBSEQUENT OWNER) DECIDES TO EXTRACT GRAVEL, AND OTHER SUBSURFACE MINERALS. BIDDER HEREBY AGREES & ACCEPTS THAT THE FOLLOWING LANGUAGE WILL BE STIPULATED ON THE FACE OF THE DEED CONVEYING TITLE TO GRANTEE, TO-WIT: "IN THE EVENT THE GRANTEES, THEIR HEIRS, SUCCESSORS OR ASSIGNS SHALL COMMENCE EXTRACTION OF SAND, GRAVEL, OR OTHER MINING MINERALS, GRANTOR, ITS HEIRS, SUCCESSORS OR ASSIGNS, HEREBY RESERVES A FORTY PERCENT (40%) UNDIVIDED INTEREST IN ALL SAND, GRAVEL, OR OTHER MINING MINERAL RIGHTS. THIS RESERVATION SPECIFICALLY EXCLUDES MINERAL RIGHTS SUCH AS OIL, GAS OR OTHER DEFINED MINERALS."**
- 2. FOR TRACT #2 ONLY: A PORTION OF TRACT #2 IS SUBJECT TO AN "AGREEMENT FIXING BOUNDARY" DATED MARCH 7, 2011, AND RECORDED ON MARCH 17, 2011, AT LIBER 2951 PAGE 3141, BERRIEN COUNTY REGISTER OF DEEDS OFFICE, AND SHALL BE ATTACHED TO PURCHASE AGREEMENT. BUYER HEREBY ACKNOWLEDGES RECEIPT OF THIS RECORDING AND AGREES AND ACCEPTS CONDITIONS AND TERMS OF SAME.**
- 3. INDEMNIFICATION OF SELLER. All Bidders agree to indemnify and hold harmless Seller for all injuries and damages that may occur as a result of Bidder's entry upon the JOHN B. DALE FARM, or any portion thereof, for inspection or for any other purpose. The successful Bidder/Buyer may assume *immediate possession* of Tracts 1 and 2 of the purchased property, provided all bid and auction requirements have been satisfied, said possession being restricted to farming or tillage activities that do NOT include tree removal, construction, or other activities until time of closing. Tract 3 possession will be at closing. The successful Bidder/Buyer agrees to indemnify and hold harmless**

Seller for all injuries and damages that may occur as a result of Buyer's entry upon the purchased property, or any portion thereof, until such time as the closing is finalized.

4. Written bids can be submitted beginning on **Monday, April 3, 2017**, and must be submitted in writing via the Jerdon BID FORM either by Facsimile to (269)782-4034, E-Mail to tom@jerdon.net, or delivered to the Jerdon office located at 32502 M-62 West, Dowagiac MI 49047. In order to submit a bid, Bidders must pre-register with Jerdon, complete the BID FORM, and sign and return these Terms and Conditions. The identity of the bids and Bidders will be kept confidential. Jerdon reserves the right to disclose the second highest bid to the winning Bidder, if the winning Bidder requests to see such bid. **No verbal offers or text messages shall be accepted or considered.** Information announced by Jerdon on day of auction overrides and prevails.
5. Seller reserves price (a reserve auction) to Seller's satisfaction and has the absolute discretion not to sell to any Bidder at the conclusion of this auction if price and terms, etc., are not acceptable to Seller. Seller may cancel auction prior to commencement of auction. **If the Auction becomes an "Absolute Auction," Bidders will be notified via facsimile, email, or by phone text.** Minimum and incremental bids may be submitted at discretion of Jerdon. **A non-refundable down payment of 10% is due immediately upon conclusion of auction or acceptance of offer by Seller. Bids cannot include contingencies, nor can the bid be subject to financing. All Bidders must have necessary financing, if any, secured before bidding. A Cash transaction closing will occur within 45 days of the end of auction. Winning bidder must forward a non-refundable 10% deposit and a signed and binding purchase agreement immediately upon conclusion of auction but no later than 24 hours of end of auction or be in default, wherein Seller may sell to another Bidder at Seller's sole discretion. Real estate broker, Jerdon Real Estate, Inc., its partners, its associates or anyone representing or acting as agent thereof, certifies that they/he/it will NOT bid in this auction.**
6. If multiple tracts are offered, Bids can be made on individual tracts and a combination of all tracts or the entire property. BID AMOUNTS SHALL BE ON A LUMP SUM BASIS and NOT per acre.
7. Real estate broker is Seller's Agent acting solely on behalf of Seller. Broker recommends that all buyers obtain an attorney, survey, and other inspections. This real estate is being sold 'as is' and Seller does not warrant or ascertain where property lines are located and acreage amounts are approximates based on information available to broker. FSA/ASC aerial maps and other aeriels are available on the Jerdon website.
8. Broker will notify Bidders of current bid amount, and minimum incremental bids, via fax, email, text, or phone. Broker will be available via phone also. Buyers may bid amounts

above increments. Seller will determine the auction's conclusion, but the goal is to conclude it as soon as possible, within a matter of a day or two, or as specified by Broker.

9. **NO BUYER PREMIUMS being charged as is typical with other auctions. What might be accepted by the Seller as a sales price IS the selling price plus certain Buyer closing costs. PURCHASER to pay all lender fees or costs associated with Buyer's mortgage, if any. SELLER SHALL PROVIDE AND PAY FOR/TO:** (A) an owner's title insurance policy with standard exceptions in amount of sales price, (B) warranty deed, (C) all county and State transfer taxes, (D) an insured closing at title office chosen by Broker, (E) prorate property taxes with Buyer, and (F) pay one-half (1/2) of Seller's completed survey. **BUYER SHALL PAY FOR/TO:** (A) record deed, mortgage, affidavits, etc., (B) prorate property taxes with Seller, (C) all lender fees, and (D) **one-half (1/2) of Seller's completed survey costs as follows: Tract #1 at \$600.00, Tract #2 at \$900.00, & Tract #3 at \$400.00 which shall be a credit to Seller from Buyer at closing.** All non-refundable deposits or down payments should be made payable to the **CASS COUNTY TITLE OFFICE**, which shall also provide the title insurance and closing/escrow services.
10. Real estate agents, attorneys, or representatives do not qualify to submit written Bids on behalf of Bidders unless agreed to by Jerdon, but are welcome to facilitate bids as Buyer's Agents and collect fees from Bidder as no buyer premiums are being charged.
11. **Out-of-area Bidders or Bidders with whom Broker is unfamiliar may be required to submit a 'good faith' earnest money deposit check to participate and this shall be at the sole discretion of Jerdon.** In this event, the earnest money shall be refunded or check 'voided' immediately at conclusion of auction in the event Bidder is not high Bidder. Jerdon may exclude any Bidder at Jerdon's sole discretion.
12. The terms and conditions of the purchase and Purchase Agreement, including these Terms and Conditions, shall survive closing and shall be binding, and the obligations and benefits shall inure to the heirs, successors, representatives and assigns of the Parties.
Time is of the essence.
13. All real estate data provided by real estate Broker is considered accurate but is not guaranteed and is subject to error, omission, withdrawal, and change. Acreage totals, tillable acreages, lines drawn on aerials, are all general approximates and are not guaranteed or warranted and are not considered to be a stake survey unless stipulated. Real estate is sold 'as is' with no warranties express or implied, and is subject to zoning, classifications, setbacks, utilities, easements, lack of building capability, and/or whether property qualifies for any specific use, building, construction, or fitness for specific purpose. Buyers assume all existing recorded easements and rights of way.

- 14.** Seller may elect to perform an IRS Sec. 1031 Exchange with a portion of the proceeds of this sale and Buyer agrees, provided Seller pays for all costs associated with same.
- 15.** LAND DIVISIONS shall be conveyed by Seller as follows: Tract #1: One Division; Tract #2: All remaining divisions not conveyed to other tracts; and Tract #3: One Division.
- 16.** TRACT #3 does not presently have a separate property tax parcel or tax bill and for current year will be part of the tax parcel/bill of Tract #2. Consequently, the Buyer of Tract #3, provided this Buyer is not also purchasing Tract #2, shall not be obligated to pay any of the 2017 property taxes as an escrow will be established at closing for property taxes. Tract #3 Buyer will commence paying property taxes for the summer of 2018. TRACT #2 currently contains two tax parcels/bills. However, property has been surveyed such that these two parcels shall be merged into one tax parcel beginning in 2018.
- 17.** Upon Buyer's request, title office shall provide appropriate Michigan Agriculture affidavits in the event Buyer desires to claim property as Qualified Agriculture to obtain certain property tax benefits. Broker makes no assurances that property can qualify.

_____ Date: _____
 Buyer/Bidder Signature(s)

_____ Date: _____
 Buyer/Bidder Signature(s)

Printed Name of Buyer/Bidder(s):

Address: _____

Phone: _____ Email: _____

FAX: _____

I can receive text messages? YES or NO (circle one)

I want to receive bid and auction updates via: EMAIL or FAX or TEXT or PHONE (circle all that apply)